INFORMATIONAL LETTER NO.1875-MC-FFS

DATE: January 9, 2018

TO: Iowa Medicaid Pharmacies

APPLIES TO: Managed Care (MC) and Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

Jerry R. Foxhoven

Director

RE: Pharmacy Cost of Dispensing Survey

EFFECTIVE: Upon Receipt

Background:

During the 2013 Iowa Legislative session, the 85th Iowa General Assembly enacted the requirement that DHS base the actual dispensing fee on the cost of dispensing survey performed by the department. All pharmacies participating in the medical assistance program are required to complete the survey every two years beginning in State Fiscal Year (SFY)14 to SFY15. Any dispensing fee expenses, required to be submitted under Senate File 446, that specifically identifies a pharmacy or a provider's individual cost will remain confidential. Any change to the dispensing fee requires that the department obtain approval from the Centers for Medicare and Medicaid Services (CMS) through the state plan process.

Process:

The IME has contracted with the firm of Myers and Stauffer LC to conduct a dispensing cost survey. Myers and Stauffer is a national accounting and consulting firm that specializes in assisting state Medicaid agencies in a multitude of health care provider settings. Instructions for completion of the cost of dispensing survey will be included with the survey packet to be mailed in February 2018.

Important Dates:

Cost of Dispensing Surveys Mailed to Pharmacies February 6, 2018 Cost of Dispensing Survey due Date March 30, 2018 Implementation of Dispensing Fee August 1, 2018

Contacting Myers and Stauffer LC Pharmacy Unit:

Myers and Stauffer LC Regular Mail:

> 700 W. 47th Street, Suite 1100 Kansas City, Missouri 64112

Telephone: (800) 374-6858

E-Mail: disp survey@mslc.com

http://www.mslc.com/lowa/CostofDispensingSurvey.aspx Internet:

To receive assistance with your question or concern, please indicate (regardless of the method of communication chosen) that you are an Iowa Medicaid-participating pharmacy with a question or concern regarding the Cost of Dispensing survey. If you call and a staff member is not available, you will be asked to leave a message. You will receive a return telephone call within 24 hours during the week (Monday – Friday). At that point additional information may be requested to properly evaluate your concern.